

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 3578 - SB 3591

February 12, 2012

**SUMMARY OF BILL:** Increases, from 25 to 30 years, the maximum amount of creditable service for any commissioned member of the Department of Safety (DOS), when such member began employment with the Department following their 35<sup>th</sup> birthday. Increases, from 60 to 65 years of age, the maximum retirement age for other certain law enforcement officers, as well as commissioned members of DOS.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – Potential reductions to state and federal expenditures if applicable TCRS members delay retirement until age 65. Any such impact is dependent upon several unknown factors and cannot be quantified for the purpose of this fiscal note. Otherwise, any fiscal impact is considered not significant.**

Assumptions:

- According to the Tennessee Consolidate Retirement System (TCRS), this bill would not impact local governments; local governments would still be able to set their mandatory retirement age requirements at age 60 for its law enforcement officers.
- According to TCRS, this bill will create no additional pension liability to TCRS.
- TCRS indicates that this bill has the potential to reduce pension costs if any of the applicable members delay retirement to age 65. This impact is dependent upon several unknown factors such as the number of members that would delay retirement, the extent to which any member would delay retirement, and the source of retirement funding for each applicable member. Given these unknowns, a precise estimate cannot be quantified with reasonable certainty.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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